



OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

Special Attention of:

All HOPWA Permanent Supportive Housing (PSH) Grantees

All CPD Field Office Directors and Deputy Directors

Notice: CPD-23-03

Issued: April 12, 2023

This Notice remains effective until amended, superseded, or rescinded.

Cross References: 24 CFR Part 574 – Housing Opportunities for Persons With AIDS (HOPWA)

Subject: Procedural Guidance for Fiscal Year 2023 HOPWA Permanent Supportive Housing Renewal and Replacement Grant Applications

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I. Funding Opportunity

Purpose and Contact Information

This Housing Opportunities for Persons with AIDS (HOPWA) [Assistance Listing Number 14.241] Notice announces Renewal Grant Application and Replacement Grant Application requirements for eligible expiring HOPWA Permanent Supportive Housing (PSH) grants. For the purposes of this Notice, the application to continue an existing HOPWA PSH renewal grant will be referred to as the “Renewal Grant Application.” The application to replace the existing HOPWA PSH renewal activities with new grant activities will be referred to as the “Replacement Grant Application”.

Pursuant to the renewal or replacement authority provided by the Consolidated Appropriations Act, 2022 (Pub. L. 117-103), and the Consolidated Appropriations Act, 2023 (Pub. L. 117-328), the Department will renew or replace all eligible expiring HOPWA Permanent Supportive Housing (PSH) grants that meet all program requirements and were initially funded under a HUD competition for Fiscal Year (FY) 2010 or earlier FY funds.

The [HUD FY2022-2026 Strategic Plan](#) describes the Department’s goals, objectives, and strategies, as well as describes how HUD will measure progress toward achieving the mission to create strong, sustainable, inclusive communities and quality affordable homes for all. The overarching goal of the strategy is to ensure HUD centers its focus on people, and their lived experiences, with policy and programs that are equity-focused, anti-discriminatory, and that advance housing justice, so that everyone has an affordable, healthy place to live. This Notice of funding for eligible HOPWA PSH grants supports the goals of the Strategic Plan. Strategic goal 1B is to make homelessness rare, brief, and non-recurring by reducing the number of people experiencing homelessness. Strategic goal 2B is to improve rental assistance, specifically by improving rental assistance to address the need for affordable housing. Strategic goal 4C is to integrate housing and health, specifically by advancing policies that recognize housing’s role as essential to health. The Office of HIV/AIDS Housing (OHH) has set a vision to elevate housing as a structural intervention in ending the HIV Epidemic in the United States, and on a nationwide basis, the HOPWA program is expected to demonstrate stable housing results, reduced risks of homelessness, and improved access to care results for clients. Applicants are encouraged to join HUD in realizing these goals by focusing efforts on increasing access and availability of permanent housing through Tenant-Based Rental Assistance (TBRA) for low-income people with HIV. Replacement application scoring supports strong PSH programs with robust opportunities for households to access TBRA.

If you have questions about the FY 2023 HOPWA Renewal Grant Application process or Replacement Grant Application process, please email the HOPWA general inbox at HOPWA@hud.gov. Please note that HUD staff cannot assist applicants in preparing their applications.

Application Deadline

Applications for FY2023 renewal and replacement grant funding must be received no later than 11:59PM ET on **June 13, 2023**. An application received after this deadline will be considered only if HUD finds the grantee was unable to meet the deadline due to unique, extenuating circumstances. HUD strongly recommends you submit your application during regular business hours and at least 48 hours before the deadline.

HUD may extend the application deadline upon request if there is a presidentially declared disaster in the applicant's area. If these events occur, HUD will post a notice on its [website](#) establishing the new extended deadline for the affected applicants.

In determining whether to grant a request for an extension based on a presidentially declared disaster, HUD will consider the totality of the circumstances including the date of an applicant's extension request (how closely it followed the basis for the extension), whether other applicants in the geographic area are similarly affected by the disaster, and how quickly power or services are restored to enable the applicant to submit its application.

II. Award Information

Renewal grant applications must provide housing assistance and/or supportive services to the same number of households as under the expiring grant. OHH will not make a renewal grant to an applicant that proposes to serve fewer households in their renewal grant compared to their expiring PSH grant. Reviewers will be looking closely at variations in projected outputs compared to the prior grant's projected outputs, as well as outputs actually achieved. Applicants interested in making any changes to their previous renewal grant activities have the opportunity to submit a replacement application.

All eligible FY23 renewal applicants are eligible to submit a Replacement Grant Application. For the purpose of this Notice, a replacement is defined as the replacement of the previous renewal grant's activities with different eligible grant activities. This includes closing current eligible budget line items, opening new eligible budget line items, changing the population served, scope, number of households served, project sponsors, or service area (within certain limitations). The replacement grant option provides current renewal grantees the opportunity to update their programs to better reflect the current needs in their communities. See Section IV.D. of this Notice for more information on the Replacement Grant Application process. Submission of a Replacement Grant Application is optional.

Both Renewal and Replacement applications may reflect a 6% increase to each housing activity budget line item. Increases will be based on previously approved HUD-40110-B funding amounts and will be communicated to applicants during the Project Confirmation Worksheet process. See Section III.D. for additional information on funding increases. Applicants that choose not to submit a Replacement Grant Application can proceed with the FY23 Renewal Grant Application process outlined in Section IV.B.

To assure HUD is in a position to renew an expiring grant if the application to replace it does not meet the scoring threshold for funding, each applicant interested in applying to replace their current PSH grant must submit both a Renewal Grant Application and a Replacement Grant

Application. No Replacement Grant Applications will be reviewed without an accompanying Renewal Grant Application.

In order to coordinate actions for expiring grants based on need, HUD will renew or replace expiring PSH grants that meet the requirements of this Notice and provide funding in the order of grant expiration dates based on funding availability. Further, HUD may announce PSH renewal and replacement awards on a rolling basis, if needed, to help ensure continued operations of expiring grants. Applicants selected for renewal or replacement are expected to expend the remaining balance of current funds on their approved schedule within their currently approved grant period.

OHH will provide information about a webinar for applicants covering the information contained in this Notice. Webinar details will be communicated directly to eligible applicants that submit a letter of intent to renew or replace (See Section III for more information on the letter of intent to renew or replace).

III. Eligibility Information

A. Eligible Applicants

Eligible applicants for FY2023 HOPWA Permanent Supportive Housing (PSH) renewal or replacement grant funding are HOPWA grantees with PSH grants that are expiring between June 1, 2023, and May 31, 2024, and meet all program requirements. A list of grants potentially eligible for renewal or replacement in FY2023 is in Table 1. Where HUD has made a replacement grant to a new grantee, the replacement grantee will have the same right to apply for a renewal or replacement grant as the original grantee would have had under this notice.

Table 1. Potentially Eligible Renewal or Replacement Applicants

	Grantee Name	Grant Number
1	Action, Inc.	MA-H200011
2	AIDS Alabama, Inc.	AL-H200001
3	AIDS Foundation of Chicago	IL-H200004
4	AIDS Foundation of Chicago	IL-H200018
5	AIDS Resource Center of Wisconsin (Vivent)	WI-H200008
6	Alameda County	CA-H190001
7	Alaska Housing Finance Corp	AK-H200015
8	Asociación De Puertorriqueños en Marcha, Inc.	PA-H200025
9	City of Baltimore, DHCD	MD-H200026
10	City of Los Angeles	CA-H200002
11	City of Nashua	NH-H200027
12	City of Savannah, Daniel Flagg Villas	GA-H190024
13	City of Savannah, Project House Call	GA-H190025
14	Clare Housing	MN-H190022
15	Clare Housing	MN-H200020
16	Cochise County	AZ-H200016
17	Del Norte Neighborhood Development Corp.	CO-H190023
18	Downtown Emergency Service Center	WA-H200014
19	Grace House	MS-H200023
20	Greyston Health Services, Inc.	NY-H200009
21	Harbor Homes, Inc.	NH-H200012
22	Health Services Center, Inc	AL-H200028
23	Idaho Housing & Finance Association	ID-H200019
24	Kingsport Housing & Redevelopment Authority	TN-H200031
25	Lexington-Fayette Urban County Government	KY-H200017
26	Maui A.I.D.S. Foundation	HI-H200029
27	Methodist Training & Outreach Center, Inc.	VI-H200005
28	Oregon Health Authority	OR-H200013
29	Pima County	AZ-H200003
30	Santa Fe Community Housing Trust	NM-H200032
31	State of Montana	MT-H200010
32	The Salvation Army	MN-H200006
33	University of Illinois, College of Medicine	IL-H200007
34	Vermont Housing and Conservation Board	VT-H200022

B. Ineligible Applicants

The following will cause an applicant to be deemed ineligible to submit an application for the FY23 PSH grant cycle:

- Applicant's current PSH grant expires prior to June 1, 2023
- Applicant's current PSH grant expires after May 31, 2024,
- HOPWA competitive demonstrations and transitional grants are ineligible, including HOPWA grants that were funded as one-time nonrenewable awards and/or do not have a primary focus on permanent supportive housing-funded activities.
- If OHH determines that an applicant's expiring grant has a balance large enough to fund activities beyond May 31, 2024, the grant may be deemed ineligible for a renewal or replacement award under this Notice. These grantees may request a grant extension on their current grant in lieu of applying for a renewal or replacement grant and should plan to apply for a renewal grant under a future renewal Notice, contingent on appropriations for funding future renewal or replacement awards. Grant extensions are subject to HUD approval.
- After providing notice and opportunity for informal consultation and determining that noncompliance cannot be remedied by imposing additional conditions, HUD has determined to terminate the expiring grant or take other enforcement actions due to violations of the grant requirements.
- Although HUD will consider applications to renew or replace grants that currently have open monitoring findings, HUD will not execute a renewal or replacement grant if there are outstanding audit or unresolved monitoring findings and the grantee's responses to those findings make it unreasonable to determine the grantee is meeting all program requirements.
- Although HUD will consider applications to renew or replace grants that are currently subject to specific conditions under 2 CFR 200.208, HUD will not execute a renewal or replacement grant if the specific conditions imposed on the expiring grant have not been met.

C. Notification of Intent to Renew/ Replace

Eligible applicants interested in applying for a FY2023 HOPWA PSH renewal grant or replacement grant must notify the HUD Office of HIV/AIDS Housing with a letter of intent to apply for available funding under this notice. The letter of intent must be submitted no later than 11:59PM Eastern Time on **April 19, 2023**. A letter of intent received after this deadline will be considered only if HUD finds the grantee was unable to meet the deadline due to unique, extenuating circumstances.

The letter must be signed by an authorized representative (executive director or equivalent) and submitted via email both to the Office of HIV/AIDS Housing (HOPWA@hud.gov) **and** to the applicant's local HUD Field Office. The letter of intent should include the following information:

- Identify the intent to submit both a Renewal Grant Application and Replacement Grant Application, or only a Renewal Grant Application.
- Include a projected monthly expenditure by budget line item for remaining funding on the expiring grant. The expenditure projection should show that all remaining funds

will be expended by the active grant's expiration, which must be on or before May 31, 2024.

- If the projected expenditures show the rate of spending needed to fully expend the grant is dramatically different from the grantee's current spending rate, a description of the measures taken to increase spending must accompany the expenditure projection.

The submitted projection of expenditure will be reviewed and confirmed by OHH with current financial information available. Grantees should ensure that the balances listed in HUD's Integrated Disbursement and Information System (IDIS) are current and reflect timely expenditures for costs incurred.

If the projected expenditures show that a grant extension is needed, applicants should work with their local field office to coordinate a grant extension. Grants requiring an extension past May 31, 2024, are not eligible to apply for a renewal grant or replacement grant under this Notice and will be expected to renew or replace their HOPWA PSH grant in a future renewal cycle, contingent on appropriations for funding future renewal or replacement awards.

D. Project Confirmation Worksheet

Applicants who submit a letter of intent will receive a Project Confirmation Worksheet (PCW) with a breakdown of Budget Line Item (BLI) amounts eligible for the renewal grant. The specific BLI amounts listed in the PCW only apply to the renewal grant. All applicants must complete the PCW process, even if the applicant intends to submit a Replacement Grant Application.

The Project Confirmation Worksheet (PCW) will provide the following:

- Project's current approved BLI amounts,
- Eligible BLI amounts for the FY 2023 renewal grant.
- Current approved outputs by BLI as listed in the currently approved HUD-40110-B, and
- Achieved outputs by BLI as reported in the APR.

If an amendment was made to the active grant's budget and it is not reflected in the amounts listed in the PCW, the applicant should notify the OHH contact who sent the PCW, and a correction will be made. The BLI amounts listed will be the approved amounts for the renewal grant.

Applicants who complete the Project Confirmation Worksheet (PCW) process will receive a HUD-40110-B with the eligible renewal BLI funding amounts discussed during the PCW process included on the "Application Budget Summary" page. The HUD-40110-B provided by HUD after the PCW process is the HUD-40110-B that should be completed and submitted in the Renewal Grant Application. For Replacement Grant Applications, the HUD-40110-B will need to be modified to reflect the replacement grant proposed activities.

Due to the historic increase in inflation over the last two years and inflation's effect on rental prices, renewal and replacement grants are eligible for a 6% increase to their housing budget line items. The percentage increase is based on the HUD Policy Development and Research Office's, 2021 Renewal Funding Inflation Factor per-unit cost percentage change. While 2022 saw another increase in inflation of 5%, HUD will continue to apply the same inflation adjustment

HUD introduced in Notice CPD-22-08 until all PSH grants have benefited from that inflation adjustment.

Budget line items (BLI) eligible for an increase are TBRA, operating, leasing, STRMU, PHP, and “other,” which are considered the BLI’s most likely to be most affected by price increases due to inflation. Renewal grants with BLI’s eligible for increases will be automatically calculated and communicated in the PCW. The new grant total after the eligible increases are applied will also be the eligible maximum grant amount for the replacement grant, should the applicant choose to submit a Replacement Grant Application as well as a Renewal Grant Application.

E. Renewal and Replacement Threshold Requirements and Review

After application submission, OHH will perform an initial threshold review of all applications. The review is to ensure applications meet the minimum eligibility requirements outlined below. Applications failing to meet threshold requirements will not be evaluated further. Applications that pass the threshold review will be deemed eligible for renewal or replacement funding and will then be evaluated based on the rating criteria outline in this notice.

Below are the threshold requirements all applicants must meet to submit an eligible application for an FY 2023 renewal or replacement award.

1. System for Award Management (SAM)

- Applicants must be registered with sam.gov before submitting their application.
- Applicants must maintain current information in SAM on immediate and highest-level owner and subsidiaries, as well as on all predecessors that have been awarded a federal contract or grant within the last three years, if applicable. Information in SAM must be current for all times during which the applicant has an active Federal award or an application under consideration by HUD.
- Each applicant must provide its unique entity identifier in each application it submits to HUD.

2. Permanent Supportive Housing Activities

Applicants must provide permanent supportive housing (PSH) as the primary grant activity under an expiring HOPWA grant and propose to continue providing PSH as the primary grant activity under a FY23 renewal or replacement award. HUD will consider the primary grant activity to be PSH when at least **51 percent** of grant funds provide PSH activities to eligible households. HOPWA eligible activities are further defined in Section III.F. of this Notice. PSH refers to activities that provide eligible households with permanent housing and ongoing access to appropriate supportive services through qualified providers. For the purposes of this Notice, “permanent housing” means housing in which the eligible person has a continuous legal right to remain in the unit established by a lease or legally binding occupancy agreement. The lease must be renewable after the first year of occupancy. Additionally, the clients receiving permanent supportive housing assistance must also have ongoing access to appropriate supportive services provided through qualified service providers in the area. Applicants are reminded that participation in supportive services is not a prerequisite for clients to receive housing assistance nor an ongoing requirement for clients after housing assistance is established.

TBRA, Operating Costs and Leasing for PSH units are the primary permanent housing activities. Depending on the structure of the program and usage of leveraged funds, Short-Term Rent, Mortgage, and Utilities (STRMU) and Permanent Housing Placement (PHP) may contribute towards the percentage of grant funds providing PSH to eligible households. HUD reserves the right to request additional justification from applicants requesting funding where BLI amounts do not clearly indicate PSH is the primary activity.

3. Compliance with All Program Requirements

The grantee and project under the expiring HOPWA PSH grant must have a record of compliance with the program requirements in 24 CFR part 574 and the terms and conditions of expiring HOPWA grant awards, including compliance with all nondiscrimination and equal opportunity requirements as provided by 24 CFR 574.603, timely submission of Annual Progress Reports (APRs), and expending prior funding in a timely manner as outlined in the grant agreements with HUD, with no outstanding audit or unresolved monitoring findings that HUD considers significant.

4. Complete Application.

Both the Renewal Grant Application and the Replacement Grant Application must be complete upon submittal, as outlined in Section IV.B.1. and Section IV.D.3, respectively, in order to be considered for review and awarding. Incomplete applications will not be considered for review. Replacement Grant Applications must be submitted with an accompanying Renewal Grant Application to be considered complete.

5. Grants Expiring within Eligibility Period

All applicants for FY2023 HOPWA Permanent Supportive Housing (PSH) renewal or replacement grant funding must have HOPWA PSH grants that are expiring between June 1, 2023, and May 31, 2024.

6. Application Submission Date

Applications for FY2023 renewal and replacement grant funding must be received no later than 11:59PM ET on **June 13, 2023**. An application received after this deadline will be considered only if HUD finds the grantee was unable to meet the deadline due to unique, extenuating circumstances.

F. Eligible Activities

The standards for eligible activities are set forth in the HOPWA regulations at 24 CFR 574.300-574.350. HOPWA program regulations can be accessed [here](#).

The HOPWA Eligible Budget Line Items under this Notice for both the Renewal Grant Application and the Replacement Grant Application are listed and defined below. Renewal Grant Application awards will only be funded to continue the currently approved activities under the expiring grant. **Replacement Grant Applications** may request funding for eligible activities not previously funded in prior years' renewal grants.

The use of both renewal and replacement grant funds will be subject to the central HOPWA PSH grant condition that at least 51 percent of the funds under the grant must be used to provide PSH activities to eligible households, as described in Section III.E.

1. Operating Costs

Funding may be used for the grantee's or project sponsor's cost of operating a housing facility owned or leased by the grantee or project sponsor, to the extent the costs are necessary to house eligible households. Eligible Operating Costs include utilities, property insurance, minor repairs and upkeep of the facility, maintenance both inside and outside the facility, procurement and contracting of services for facility operation or maintenance, furniture and appliances that will remain with the facility, food purchases and kitchen operation for HOPWA households at the facility, and staff time for directing any of the eligible operating costs mentioned above at the facility for HOPWA eligible households.

2. Leasing

Funding may be used to lease all, or a portion of a building as needed to provide housing to eligible households. For eligible individuals or families unable to hold leases in their names, funding may be used to master lease units, where the eligible households choose the units, the grantee or project sponsor leases the units and pays the full rent to the landlord, and the eligible households pay the grantee or project sponsor the amount required by 24 CFR 574.310(d). This type of master leasing can be administered as “turn-key” housing assistance, to be replaced with TBRA if the landlord agrees to transfer the lease to the eligible person. Funding may also be used to master lease units to be operated as transitional housing for eligible households. For example, post-incarceration programs often lease a unit to temporarily house an eligible household returning to the community until other more permanent housing arrangements can be made. The lease is always in the organization's name. The furniture, housing equipment, and supplies, eligible under the operating budget line item, belong to the organization and remain in the unit for the next household's use. Eligible leasing costs include the cost to lease a housing facility or scattered site units, staff time to negotiate lease terms with lessor or landlord, and annual housing inspections to ensure HOPWA habitability standards are met for scattered-site units assisted with Leasing.

3. Tenant-Based Rental Assistance (TBRA)

TBRA may be used to provide eligible households with a rental subsidy. HOPWA does not place restrictions on the length of time eligible persons may receive TBRA. Grantees should provide the opportunity for eligible households to transition in place to self-sufficiency or another subsidy. Security deposits are not an eligible expense under TBRA. PHP can be used in conjunction with TBRA, where PHP covers the security deposit and TBRA covers ongoing rental assistance. Eligible TBRA costs include household income verification for TBRA assistance, calculation of resident rent payment, monthly rental payments, processing a TBRA rental payment on behalf of the program beneficiary, annual housing inspections to ensure HOPWA habitability standards are met for units being assisted with TBRA, reasonable travel costs to units for housing inspections, review of a program beneficiary's selected unit for rent reasonableness and rent standard, annual recertifications for program

households receiving on-going TBRA, and staff time for resolving landlord issues directly related to providing the TBRA assistance.

4. Short-Term Rent, Mortgage, and Utility (STRMU)

STRMU may be used to prevent homelessness of the tenant or mortgagor of a dwelling. The goal of STRMU assistance under the HOPWA program is to provide short-term, stabilizing interventions to prevent homelessness of a HOPWA eligible household that rents or owns their home. The amount of STRMU assistance provided to a program beneficiary should be based on each household's need, as opposed to a uniform dollar amount per household. Eligible STRMU costs include up to 21 weeks of the eligible person's rent, mortgage, and/or utility costs, and the costs of staff time to review and determine household's need for STRMU assistance and make the STRMU payments. For the purposes of STRMU assistance, to the extent that taxes, insurance, condominium fees, or other building operation costs are included in the monthly mortgage payment either by federal regulation or the terms of the mortgage, these expenses are eligible to be included in STRMU mortgage assistance payments. STRMU mortgage assistance for taxes, insurance, or condo fees that are not included on the monthly mortgage statement are not eligible.

5. Housing Information Services

Housing Information Services may be used to provide counseling, information, or referral services to assist an eligible person to locate, acquire, finance, and maintain housing. Some eligible costs under Housing Information Services include staff time to assist eligible clients in searching for or locating appropriate housing whether HOPWA-subsidized or not; staff time to provide fair housing guidance for eligible households who may encounter discrimination on the basis of race, color, religion, sex (including sexual orientation and gender identity), age, national origin, familial status, or disability; staff time to provide housing counseling to acquire and finance housing; and development and use of Homeless Management Information System (HMIS) elements to coordinate housing assistance for eligible households. HMIS costs billed to housing information services must be pro-rated and not include HMIS reporting. Use of HMIS for reporting purposes is considered an administrative activity and must be billed to administrative costs.

6. Permanent Housing Placement Assistance (PHP)

Permanent housing placement assistance authorized at 24 CFR 574.300(b)(7) may be used in connection with the provision of housing support provided under these awards. Although PHP is included as a supportive service under 24 CFR 574.300(b)(7), HUD has established a dedicated BLI for PHP to distinguish it from other supportive services. Some eligible costs under PHP include security deposits not to exceed two months of rent, rental application fees, credit checks, one-time utility hook-up fees paid directly to the utility company, utility arrears only if the cost is creating a barrier to establishing permanent housing in a new unit, rent arrears only if past due rent debt at a prior unit is a barrier to accessing a new unit, initial housing inspections, reasonable travel costs to units for initial housing inspections, staff time to review and identify causes for eviction and responsibilities of the tenant within the lease, staff time for assisting clients with executing the lease, and staff time for resolving landlord

issues directly related to the PHP assistance being provided. PHP can be used in conjunction with TBRA where PHP pays the security deposit and TBRA covers ongoing monthly rent payments starting with the first month. PHP must only be used to assist the client in entering permanent housing. PHP must never be used for monthly rent or on-going utility costs where a client is already in permanent housing.

7. Other HUD-Approved Activities

Other housing activities not already authorized at 24 CFR 574.300(b) may be proposed under a Replacement Grant Application but are subject to HUD's approval. The proposal must address the expected beneficial impact of this alternative activity in addressing housing needs of eligible households by describing the project impact and the identified performance output and household outcome measures for this activity. Examples of past approved Other HUD-approved Activities include rental assistance allowing households to pay more or less than the required resident rent payment at 24 CFR 574.310(d), moving costs, and non-amortizing second mortgages to assist with homeownership. HUD will not approve funding requests for acquisition, new construction, or rehabilitation of housing facilities, or other activities described in Section III.G of this Notice. HUD also will not approve Other Activities outside of the application submission process.

8. Supportive Services

Subject to the supportive services requirements in 24 CFR part 574, supportive services funding may be used to provide housing stability services, assistance in gaining access to mainstream resources, public benefits, healthcare and support positive health outcomes. However, health services may only be provided to individuals with acquired immunodeficiency syndrome or related diseases and not to family members of these individuals. Eligible supportive services costs include staff time to develop, update and review individualized housing and service plans for clients; staff time to connect households to appropriate services and treatment in accordance with their housing and service plans, management-level consultation (case staffing); health and mental health assessment services; direct outpatient treatment by licensed professionals of mental health services; substance use disorder services provided by licensed or certified professionals; individual, family, or group therapy to address co-occurring disorders; nutritional services including food banks, nutritional supplements, and counseling by certified nutrition specialists; life skills trainings such as budgeting resources, resolving conflict, using public transportation, unit maintenance; credit counseling; education services including instruction or training in consumer education, health education, substance use prevention, literacy, and General Educational Development (GED); job training or job coaching including resume development; client transportation to and from medical care, employment, child care, or other eligible essential services facilities; and HOPWA provider transportation to meet with clients for supportive service needs.

In all cases, HOPWA grantees must ensure that HOPWA-eligible individuals maintain access to available healthcare benefits and are able to fully participate in their healthcare plan. HOPWA grantees should promote adherence to prescribed HIV medications, so eligible individuals are able to achieve durable viral suppression and protect their immune health.

The program must maintain or enhance access to other needed services and benefits that are available through mainstream resources, including healthcare assistance, AIDS drug assistance under the Ryan White HIV/AIDS Treatment Extension Act of 2009, Affordable Care Act, and/or other federal, state, local, and private resources. More information on treatment as prevention and the importance of viral suppression can be accessed [here](#). HOPWA grantees should coordinate with their local Continuum of Care coordinated entry process to ensure housing options are available to potential clients experiencing homelessness. HOPWA grantees must perform affirmative marketing of the HOPWA program for outreach to qualifying persons of protected class groups in accordance with 24 CFR 574.603(b).

9. Administrative Costs

HOPWA regulations (24 CFR 574.300(b)(10)) limit the grantee's administrative costs to 3 percent of the grant amount and limit each project sponsor's administrative costs to 7 percent of the amounts the project sponsor receives under the grant. HOPWA funds may be used for administrative costs as provided under 24 CFR Part 574, including costs of compiling data for and preparing the form HUD-4155 to meet the annual reporting requirements at the end of each operating year.

As provided in 24 CFR 574.3, administrative costs do not include costs directly related to carrying out eligible activities, since those costs are eligible as part of the activity delivery costs of such activities. Accordingly, staff costs directly related to the delivery of housing assistance or supportive services activities are billable to the associated housing or supportive service budget line item. Staff costs should not be billed completely under administration or entirely to supportive services. If the staff is providing services directly related to another budget line item, then that staffing expense should be billed to that line item.

10. Resource Identification

Resource identification activities may be proposed under a Replacement Grant Application. Resource identification funds may be used to establish, coordinate, and develop permanent housing assistance resources for eligible persons (including conducting preliminary research and making expenditures necessary to determine the feasibility of specific housing-related initiatives). Proposed Resource Identification activities can include increasing coordination with local initiatives, systems, or strategies (such as the local Continuum of Care or Ryan White Planning Council) to house HOPWA-eligible individuals, development of new housing resources, and conducting community needs assessments to inform system design.

G. Ineligible Activities

The following activities are not eligible to be funded with amounts awarded under this FY 2023 HOPWA PSH Renewal and Replacement Notice. These activities are *not* eligible for *either* the Renewal Grant Application or the Replacement Grant Application.

1. Capital Development

Acquisition, new construction, rehabilitation.

2. Health Services

Health services are not eligible to the extent that payment has been made, or can reasonably be expected to be made, with respect to that item or service under any state compensation program, under an insurance policy, or under any Federal or state health benefits program or by an entity that provides health services on a prepaid basis.

3. Moving Costs.

Unless already approved by HUD in the initial grant application as an “other” activity budget line item, incidental moving costs, including van rentals, supplies, and moving equipment, are not eligible in a renewal award.

4. Real Property Taxes and Fees

Unless included in the mortgage payment, property taxes and condominium fees are not eligible.

5. Personal Items and Expenses.

Personal items including clothing; furniture and other household items (unless provided under the Operating Costs line item), including cookware and dishes; grooming; personal vehicle maintenance and repairs; cash assistance and consumer credit payments; entertainment or social activities; pets; and other non-housing-related costs or related services.

6. Emergency Shelters and transitional housing not administered in conjunction with permanent housing

Emergency shelters and transitional housing funded with the operating and leasing budget line items are not eligible unless the applicant can establish a clear connection between the emergency and/or transitional housing assistance and the provision of permanent housing activities.

IV. Application Submission Information

A. Renewal and Replacement Application Forms, Certifications and Executive Narrative

Both the Renewal Grant Application and the Replacement Grant Application must include the following required forms and certifications to be considered complete.

1. Application for Federal Assistance (SF424)

This is a required form for all Renewal Grant Applications and Replacement Grant Applications. The information below should be used as guidance when filling out the SF424s.

- a. Box 1 – The type of submission is an application.
- b. Box 2 – The type of application is new, for both renewal and replacement.
- c. Box 3 – The date received is the date the application is submitted to HUD.
- d. Box 8c- Enter organizations UEI received from SAM. The UEI is a unique 12-character organization identifier. Information on registering with System for Award Management (SAM.gov) may be obtained by visiting the grants.gov website.

- e. Box 8d – Enter the county or parish in which the organization’s address is located, where applicable. This box is not starred as a requirement, but HOPWA applicants should complete this box. The applicant should also submit the full 5 digits plus 4-digit zip/ postal code.
- f. Box 8f – The person identified here should be the program contact who is working closely with the application. This person should **not** be the same as the authorized representative.
- g. Box 11 – The Assistance Listing Number is 14.241. The Assistance Listing Title is “Housing Opportunities for Persons With AIDS”.
- h. Box 12 – The funding opportunity number is the number of this Notice. The title is the subject title of this Notice, “Procedural Guidance for Fiscal Year 2023 HOPWA Permanent Supportive Housing Renewal and Replacement Grant Applications”.
- i. Box 14 – Enter the cities and counties (or county-equivalents) covered in the renewal or replacement project’s service area. This box can only be completed as an attachment to the SF424 form.
- j. Box 16a – The congressional district in which the applicant is located.
- k. Box 16b – The congressional district(s) in which the applicant’s PSH program will operate.
- l. Box 17 – The start date is a proposed start date and should be the day after the applicant’s current renewal grant expires. The end date is three years after the start date.
- m. Box 18 – Enter the renewal or replacement grant amount in line a, “Federal.” Line g, “Total,” should be the same amount as line a. No other lines should be completed in this box.
- n. Box 19 – The program is not covered by E.O. 12372 (Box C).
- o. Authorized Representative – This is the person that is duly authorized to accept grant funding on behalf of the organization applying for renewal funding.

2. Assurances for Non-Construction Programs (SF-424B)

This is a required form for all Renewal Grant Applications and Replacement Grant Applications. The authorized representative must sign and date this form and include the organization name.

3. Certification Regarding Lobbying

This certification is required for all Renewal Grant Applications and Replacement Grant Applications. Applicants are subject to Section 319 of Public Law 101-121, 31 U.S.C. 1352 (The Byrd Anti-Lobbying Amendment) and implementing regulations at [24 CFR Part 87](#), which prohibit recipients of Federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the Federal Government for a specific contract, grant, or loan.

In addition, applicants participating in lobbying activities must disclose, using Standard Form LLL (SFLLL), “Disclosure of Lobbying Activities,” any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, members of congress, or congressional staff regarding specific grants or contracts.

4. Application Disclosure Report Form (HUD 2880)

The form HUD 2880 is required if you are applying for assistance within the jurisdiction of HUD to any project subject to Section 102(d) of the [HUD Reform Act](#). Assistance is provided directly by HUD to any person or entity, but not to subrecipients. It includes assistance for the acquisition, rehabilitation, operation, conversion, modernization, renovation, or demolition of any property containing five or more dwelling units that is to be used primarily for residential purposes. It includes assistance to independent group residences, board and care facilities, group homes and transitional housing but does not include primarily nonresidential facilities such as intermediate care facilities, nursing homes and hospitals. It also includes any change requested by a recipient in the amount of assistance previously provided, except changes resulting from annual adjustments in Section 8 rents under Section 8(c)(2)(A) of the United States Housing Act of 1937 ([42 U.S.C. 1437f](#)). [See HUD Reform Act regulation for additional information](#)

5. Applicant Assurances and Certifications (HUD 424-B)

By submitting your application, you provide assurances that, if selected to receive an award, you will comply with U.S. statutory and other requirements, including, but not limited to civil rights requirements. All recipients and subrecipients of the award are required to submit assurances of compliance with federal civil rights requirements. *See, e.g.,* Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments Act of 1972, Section 504 of the Rehabilitation Act of 1973, Violence Against Women Act, and the Age Discrimination Act of 1975; *see also* [24 C.F.R. §§ 1.5; 3.115; 8.50; and 146.25](#). HUD accepts these assurances in the form of the HUD 424-B, which also require compliance with HUD Reform Act requirements and all general federal nondiscrimination requirements in the administration of the federal assistance award.

6. Code of Conduct

This is required for any applicant, excluding states, with an outdated code of conduct posted on HUD's site for public viewing. It is the applicant's responsibility to ensure that HUD has the most updated code of conduct. HUD posts the codes of conduct to the HUD grants management website for public viewing, located at:

https://www.hud.gov/program_offices/spm/gmomgmt/grantsinfo/conduct The required information in a code of conduct is provided at 2 CFR 200.318(c). If your organization's code of conduct is outdated or is not listed on the HUD website, please forward an electronic copy of the Code of Conduct statement to askGMO@hud.gov. The email should contain: (1) the Organization's UEI number; (2) the Organization's Legal Business Name (from SAM.gov); (3) the Organization's complete mailing address; (4) the Name, title, email and phone number for the person with executive authority; and (5) the electronic codes of conduct statement (searchable documents preferred).

7. Executive Narrative

On no more than one page, provide an executive summary of the project. The summary must provide an overview of the main components of the planned project including award amount, purpose, activities to be performed, deliverables and expected outcomes, intended beneficiary(ies) and project sponsor activities. In the executive summary,

provide the name of the applicant, program contact name, email and full street address for applicant and all project sponsors.

8. HOPWA Budget (HUD-40110-B)

This is a required form for both Renewal Grant Applications and Replacement Grant Applications. Eligible applicants submitting both a Renewal Grant Application and a Replacement Grant Application must submit a unique HUD-40110-B for each application. Applicants who submit a letter of intent will receive notification of the eligible total award amount for a renewal or replacement award and the specific BLI amounts eligible for the renewal award. The processes for submittal of form HUD-40110-B for a Renewal Grant Application and a Replacement Grant Application are different and are further detailed in Section IV.B and Section IV.D, respectively.

B. Renewal Grant Application Submission Process

HOPWA PSH renewal grants are not automatically renewed; HUD must evaluate whether each renewal applicant meets the Appropriations Act conditions to determine if the expiring HOPWA grant can be renewed or replaced.

1. Renewal Grant Application Submission Format

All FY2023 HOPWA PSH renewal grant applicants must submit their application by email to HOPWA@hud.gov. Applicants must send their full application as one document with a table of contents in the order below. All the below forms and certifications must be submitted for the application to be considered complete:

- a. Application for Federal Assistance (SF424)
- b. Assurances for Non-Construction Programs (SF-424B)
- c. Certification Regarding Lobbying (Appendix A of 24 CFR Part 87)
- d. Disclosure of Lobbying Activities (SFLLL)*
- e. Application Disclosure Report Form (HUD 2880)
- f. Applicant Assurances and Certifications (HUD 424-B)
- g. Code of Conduct
- h. Executive Narrative
- i. HOPWA Budget (HUD-40110-B)

Forms and certification requirements are further detailed in Section IV.A. of this Notice. Starred forms are only required for certain grantees.

2. Renewal Grant Application HUD-40110-B

Applicants who complete the Project Confirmation Worksheet (PCW) process will receive a HUD-40110-B with the eligible renewal BLI funding amounts discussed during the PCW process included on the “Application Budget Summary” page. The HUD-40110-B provided by HUD after the PCW process is the HUD-40110-B that should be completed and submitted in the Renewal Grant Application.

There will be one “Detailed Project Budget & Housing Outputs” page for each organization (grantee and project sponsor(s)). Applicants should use the provided eligible BLI funding

amounts discussed during the PCW process to complete columns “Yr. 1,” “Yr. 2,” “Yr. 3,” and “Totals” columns on each “Detailed Project Budget & Housing Outputs” page, as well as the projected household or unit outputs for each BLI by organization. The “total” household outputs identified in the detailed budget pages should account for attrition and be presented as an unduplicated number. To be considered a renewal grant, the grant must provide the same number of households with housing assistance and/or supportive services, as applicable, as the expiring grant provided. Reviewers will be looking closely at variations in new projected outputs compared to the prior grant’s projected outputs, as well as outputs actually achieved. Renewal Grant Applications that OHH identifies as having lower proposed or achieved outputs will have the opportunity to submit additional information about the output changes and amend their application. OHH will not make a renewal grant to an applicant that proposes to serve fewer households in their renewal grant compared to their expiring PSH grant.

Leveraged funds committed for each individual BLI should also be include in the HUD-40110-B. Applicants should check that budget amounts add to the correct totals and match across the “Application Budget Summary” and “Detailed Project Budget & Housing Outputs” pages.

All projects funded to conduct the operating and leasing activities should list in the “Description” box how many separate facilities are funded with each of those line items (scattered-site facilities are considered 1 facility for this purpose). The description boxes for all other funded activities should say “See previously approved budget narrative.”

It is important that all information is accurate on this budget because the budget HUD reviews and approves will be incorporated into the grant agreement between HUD and the grantee if a renewal award is made. **All funding amounts in the budget should be presented in whole numbers.**

C. Renewal Grant Application Review and Selection Process

After the initial threshold review is conducted as outlined in Section III.E., the following process will be followed for the review and selection of FY 2023 HOPWA PSH renewal grantees. This process only applies to the review and selection of the Renewal Grant Applications. A separate review and selection process for Replacement Grant Applications can be found in Section IV.E. As a reminder, all applicants interested in applying for a replacement grant **must** submit a Renewal Grant Application as well as a Replacement Grant Application:

1. Performance Review

OHH will work with HUD Field Offices to review each applicant’s performance and to confirm existing operations are conducted with no unresolved monitoring or audit findings. A monitoring or audit finding is considered unresolved if it is not addressed through a corrective action plan approved by the local HUD Field Office, or auditor. Applicants with grants that have unresolved monitoring findings or audit findings may be denied renewal funding. See section III.B of this Notice for further information.

Examples of data that may be used to assess performance are data collected during and in response to program monitoring and audits, and data submitted in APRs and IDIS.

Annual performance data submitted in the applicant's most recent APR will also be reviewed. The renewal applicant must demonstrate measurable progress in the implementation of the current grant award as reported in the most recent APR. HUD may deny an applicant for renewal if its APR is determined to be substantially incomplete or an applicant has failed to fulfill its reporting requirements.

Grantees with programs that are denied renewal funding should transfer existing households to other suitable housing assistance. If a grantee denied renewal funding operates a facility-based housing program, the grantee is required to: 1) abide by the minimum use requirements at 24 CFR 574.310(c); and 2) follow the disposition requirements in 2 CFR 200.311(c).

2. Risk Assessment

In compliance with 2 CFR 200.206, each applicant will undergo a risk assessment prior to application review. In evaluating risks posed by applicants, the following areas may be evaluated:

- Financial Stability
- Management Systems and standards- The quality of management systems and ability to meet the management standards outlined in 2 CFR Part 200
- History of performance- Applicants record in managing Federal awards, including timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous federal award(s) and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards.
- Audit Reports and Finding- Reports and findings from audits performed under subpart F of 24 CFR Part 574 or reports and findings of any other available audit.
- Ability to effectively implement requirements- The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed.

In accordance with 2 CFR 200.208, HUD may impose specific conditions on the renewal grant when a risk evaluation indicates that it may be merited either pre-award or post award. HUD may also identify capacity concerns arising from application content submitted under this Notice that may impact the renewal grant award. Applicants will be notified as specified by 2 CFR 200.308 if HUD determines to impose specific conditions on the renewal grant.

3. Application Deficiencies

If during the review process, HUD identifies application deficiencies in a Renewal Grant Application, HUD will request clarification from the applicant.

- a. HUD will email the contacts included on the SF424 to set up a phone call to discuss identified deficiencies. The designated authorized representative must participate in the call. It is also suggested that any staff who participated in application development or the most recent APR submission participate in the call. Calls will not be used to make changes to current program design, propose grant amendments, or discuss increased funding. Applicants will be provided with no more than two calls to review the identified application deficiencies and clarification needs.

- b. After each call, applicants may be given up to and no more than 4 business days to address identified deficiencies and clarification needs in their application. OHH will review the resubmitted application for cured deficiencies and clarified information. If the re-submitted application still contains significant deficiencies after two calls, the organization's grant administration capacity will be reevaluated, and HUD may deny the renewal application or make the award subject to special conditions as HUD determines appropriate.
- c. Applicants will only be allowed two calls and two application re-submissions in the review process to cure identified deficiencies and address clarification needs. After the final call, HUD will make adjustments to the budget forms as needed for approval and incorporate the final budget forms into the issued grant agreement. If awarded a renewal grant, the applicant should thoroughly review the approved budget forms incorporated into the grant agreement to ensure grant compliance.

D. Replacement Grant Application Submission Process

This Section outlines the requirements for submitting a FY23 Replacement Grant Application. Submission of a Replacement Grant Application is optional. Applicants that choose not to submit a Replacement Grant Application can proceed with the FY23 Renewal Grant Application process. For the purposes of this Notice, a replacement is defined as the replacement of the previous renewal grant's activities with different eligible grant activities. This includes closing current eligible budget line items, opening new eligible budget line items, changing the population served, scope, number of households served, project sponsors, or service area (within certain limitations). The replacement grant option provides current renewal grantees the opportunity to update their programs to better reflect the current needs in their communities. In the event a Replacement Grant Application does not meet the scoring threshold for funding, the applicant will still be eligible to receive a renewal of the existing grant under the Renewal Grant Application process as long as the applicant meets all renewal grant threshold and programmatic requirements as outlined in Section III.E. and IV.C. of this Notice. Replacement grants will be made using funding made available for HOPWA under the Consolidated Appropriations Act, 2022 and the Consolidated Appropriations Act, 2023.

HUD is seeking Replacement Grant Applications that will improve upon the foundation set by the current renewal grant. However, housing assistance and service delivery to existing households should not be disrupted in the transition from the renewal grant to the replacement grant. Applicants interested in submitting a Replacement Grant Application must also submit a complete Renewal Grant Application. Replacement Grant Applications will not be reviewed if submitted without an accompanying Renewal Grant Application. Eligible activities for a Replacement Grant Application are listed in Section III.F. of this Notice.

1. Eligible Applicants

A list of potentially eligible applicants for the FY23 renewal and replacement cycle can be found in Table 1 of Section III of this Notice. Applicants that are eligible to submit an FY23 PSH Renewal Grant Application are also eligible to apply for a replacement of the activities conducted under their current PSH grant. Applicants interested in replacing their current PSH grant activities must submit both a Renewal Grant Application, as outlined in Section IV.B. of this Notice, as well as a Replacement Grant Application, as outlined in this Section.

2. Funding Restrictions

- a. The total grant award for a replacement grant may not exceed the maximum allowable grant amount as communicated through the Project Confirmation Worksheet (PCW) process, described in Section III.D. of this Notice.
- b. The Supportive Services line item for a Replacement Grant Application award is restricted to no more than 35% of the grant award.
- c. The Resource Identification line item for a Replacement Grant Application is restricted to no more than 10% of the grant award.

3. Replacement Grant Application Submission Format

Any eligible FY23 renewal applicants who are interested in submitting an application to replace their renewal grant activities should first have expressed interest in applying for a replacement grant in the letter of intent described in Section III.C. of this Notice. Applicants interested in applying for a replacement PSH grant must also submit a Renewal Grant Application as outlined in Section IV.B. of this Notice.

All FY2023 HOPWA PSH Replacement Grant Applications must be submitted by email to HOPWA@hud.gov. The Replacement Grant Application should be submitted in the same email and at the same time as the FY23 Renewal Grant Application submission, as a separate attachment from the Renewal Grant Application. The Replacement Grant Application should include the word “Replacement” in the file name.

Applicants must send their full application as one document with a table of contents in the order below. All the below forms and certifications must be submitted for the application to be considered complete:

- a. Application for Federal Assistance (SF-424)
- b. Assurances for Non Construction Programs (SF-424B)
- c. Certification Regarding Lobbying
- d. Disclosure of Lobbying Activities (SFLLL)*
- e. Application Disclosure Report Form (HUD 2880)
- f. Applicant Assurances and Certifications (HUD 424-B)
- g. Code of Conduct
- h. Executive Narrative
- i. HOPWA Budget (HUD-40110-B)
- j. Narratives to Address the Rating Factors for Award

Forms and certification requirements are further detailed in Section VI.A. of this Notice. The starred form is only required for applicants that participate in lobbying activities.

4. Replacement Grant Application Narratives

Page limits for each narrative are provided with its Rating Factor description in the “Rating Factor” subsection. Reviewer will not read past the page limit provided for each rating factor. Pages that exceed the page limit will not be read or scored. Replacement Grant Application narratives should be formatted as described below:

- a. Page Size: 8.5” x 11”
- b. Margins: one inch all around
- c. Font: Arial

- d. Font (regular text): 11 point
- e. Font size/style for Headings: 16 point, Bold. (subheadings – 11 point, Bold.)
- f. Spacing: Double-spaced
- g. Headers: Left-justified – indicate the rating factor or executive summary.
- h. Footers: Left-justified – name of applicant. Right-justified – page number out of total pages. (ex. Page 1 of 5)

Each narrative must be titled with a corresponding heading. The application must contain the following narratives:

I. Executive Narrative

On no more than one page, provide an Executive Summary of the proposed project. The summary must provide an overview of the main components of the planned project including how the proposed activities differ from the current renewal grant activities, how the proposed activities will better align the project with current community need, purpose, activities to be performed, deliverables and expected outcomes, intended beneficiary(ies), project sponsor activities and award amount. In the executive summary, provide the name of the applicant, program contact name, email and full street address for applicant and all project sponsors.

II. Narratives to Address the Rating Factors

Applicants must provide written responses to each of the five rating factors described in the “Rating Factors” subsection below. The responses to each rating factor must be contained under a separate heading that clearly identifies which rating factor is being addressed. The rating factor narrative is where applicants should provide a clear description of the proposed replacement activities within the guidelines provided. Responses should follow the formatting outlined in this Section and be within the page limit stated under each rating factor.

5. Replacement Grant Application HUD-40110-B

Applicants must use the HOPWA program-specific budget form (HUD-40110-B) to demonstrate how HOPWA funds will be used for eligible activities for the replacement grant. The HUD-40110-B will provide a summary of the total budget for the project, the annual HOPWA amounts to be used in each of the three years of operation, and a detailed budget for each project sponsor and the grantee. Please note that the HUD-40110-B provided by HUD after the PCW process is the HUD-40110-B for the Renewal Grant Application only. A separate HUD-40110-B must also be submitted for the Replacement Grant Application. The “Description” box for each budget line item on the “Detailed Project Budget & Housing Outputs” pages should contain a brief description of the proposed activity. All applications requesting “operating” or “leasing” funding should also list how many separate facilities are funded with each of those line items (scattered-site facilities are considered 1 facility for this purpose).

6. Rating Factors

On January 20, 2021, President Biden issued an Executive Order 13985 titled “Advancing Racial Equity and Support for Underserved Communities Through the Federal Government.” The Executive Order outlined the Administration’s policy that the Federal Government

should pursue a comprehensive approach to advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality.

The term “equity” means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American people, Asian Americans and Pacific Islanders and other people of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) people; people with disabilities; people who live in rural areas; and people otherwise adversely affected by persistent poverty or inequality. Because advancing equity requires a systematic approach to embedding fairness in decision-making processes, HUD and HUD-funded organizations need to redress inequities in their policies and programs that serve as barriers to equal opportunity.

Applicants are strongly encouraged to begin the ongoing work of assessing whether, and to what extent, its programs and policies perpetuate systemic barriers to opportunities and benefits for people of color and other underserved groups. Such assessments will better equip agencies to develop policies and programs that deliver resources and benefits equitably to all. Grantees should begin implementing additional processes that address:

- How the organization collects and tracks data elements in relation to racial equity
- Efforts made toward racial equity.
- How service level demographic data and data documenting disparities is being used to prioritize and develop criteria for program level decision making.

Grantees should use this data to begin evaluating racial equity in their service delivery models. Achieving racial equity in housing service is a continuous process. The process should include regular assessment and review of program level data disaggregated by race at decision points such as referrals, screenings, intake, and types of housing provided. Review of these data elements will capture various areas of disproportionality. It is important to supplement your data analysis with assessment conversations to determine the key leverage points and opportunities to influence each area of inequity in the service delivery model.

Equity work is a commitment and ongoing process that impacts every aspect of program design and administration. Grantee efforts to address equity should be incorporated into the rating factor narrative responses. Applicants demonstrated efforts should address how traditionally marginalized populations will have equitable access to housing programs and services.

The factors for rating Replacement Grant Applications and the points for each factor are provided below. The process that OHH will conduct to review the rating factors can be found in Section IV.E.

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Staff	(20 points)
Rating Factor 2: Need/Extent of the Problem	(15 points)
Rating Factor 3: Soundness of Approach	(45 points)
Rating Factor 4: Leverage	(5 points)
Rating Factor 5: Achieving Results and Program Evaluation	(15 points)

**Rating Factor 1: Capacity of the Applicant
and Relevant Organizational Staff**

Maximum Points: 20

Applicants may receive a maximum of 20 points for this factor. A minimum of 15 points are required in Rating Factor 1 to qualify for funding. Responses are limited to 5 pages plus up to two extra pages for each project sponsor. An applicant that plans to use project sponsors but fails to provide information on their capacity will not receive the minimum score needed for funding.

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities. It is important that the applicant demonstrates its administrative and organizational capacity to implement new program activities, monitor, and evaluate effective housing and service programs for low-income people with HIV. Applicants should strategically choose and involve team members with relevant experience. The team members include the proposed project manager and key staff relevant to carrying out the proposed activities. Team members will be evaluated in terms of recent, relevant, and successful experience in undertaking eligible program activities.

1. Describe team's experience with implementing activities similar to those proposed in the application. Include funding amounts, households served and length of time the organization has administered these programs.

5 points - Full points will be awarded if the application presents direct, extensive, and clear evidence of team's experience relevant to the proposed project activities in serving people with HIV and their families.

2. Describe the administrative and financial department's capacity to administer a new activity. Include processes and systems established to ensure successful implementation across departments, relevant leadership experience, position titles, and length of service with the organization. Describe experience with similar activities and responsibilities in relation to the new activity such as managing basic organization operations including financial accounting systems.

5 points - Full points will be awarded if the application presents direct, extensive, and clear evidence of team member experience and knowledge in administering activities similar to the activities proposed in the application. Response should include an organizational framework of processes related to the new project.

3. Describe the applicant's experience in achieving measurable results and meeting applicable performance goals in the operation of programs similar to the replacement activity. Include data on performance goals and outcomes for all activities referenced.

10 points – Full points awarded if applicant provides concise information on relevant experience, details on performance measures and data on outcomes.

Rating Factor 2: Need/Extent of the Problem

Maximum Points: 15

Applicants may receive a maximum of 15 points for this factor. Responses for Rating Factor 2 are limited to 3 pages. This factor must show a clear need for the replacement activity and that it is addressing the needs of low-income people with HIV.

1. Provide details on current activity (the one[s] that will be replaced) and why it was chosen for replacement. Address how the replacement activity will impact the total number of households served annually by the grant. Applicant should include program and community level data that supports the decision to replace activities.

4 points – Full points will be awarded if the applicant provides detailed information with supporting data that justifies replacement of the current activity, and the replacement activity is a permanent housing activity.

2. Describe the proposed replacement activity and how it will address the permanent housing needs of low-income people with HIV in the service area. Applicants should demonstrate a clear understanding of the need and the households to be served. Applicants are encouraged to use local data to support the justification of need. Data sources could include census data, health department statistics, CDC data sets, and other locally available data.

6 points – Full points will be awarded if the need in the service area is clearly described, supported with relevant HIV data sources *and total projected households to be served is increased or maintained from the current PSH grant.*

3. Describe efforts to include input from stakeholders such as local AIDS Service Organizations (ASO), Ryan White planning council, project sponsors (if applicable) and people with HIV in the decision-making process.

5 points – Full points will be awarded if the applicant clearly describes efforts to obtain input from stakeholders in the decision to replace program activities. Response should include details on the process of engaging persons with lived experiences and any relevant feedback received.

Rating Factor 3: Soundness of Approach

Maximum Points: 45

Applicants may receive a maximum of 45 points for this factor. Responses for Rating Factor 3 are limited to a total of 10 pages.

This factor evaluates the proposed housing and supportive service activities to be carried out through this funding opportunity to help participants obtain and/or maintain safe, stable housing, the roles and responsibilities of coordinating organizations, and the innovative strategies in cross-agency coordination, resource utilization, and data-driven approaches.

In evaluating responses, HUD will consider the extent to which the applicant has the experience and the resources to effectively address the needs of underserved communities, particularly Black and Brown communities. This may include experience successfully working directly with such groups, experience designing or operating programs that equitably benefit such groups, or experience successfully advancing racial equity in other ways. This may also include experience soliciting, obtaining, and applying input from such groups when designing, planning, or implementing programs and activities.

1. Provide detailed analysis of the cost effectiveness of the proposed new activity. Include percentage of staff time, percentage of total budget, projected number to be served and cost per household. For housing activities, include details on the estimated length of assistance and how it was determined that average cost per household was determined to be reasonable.

10 points - Full points will be awarded for providing detailed analysis of cost associated with implementation of the proposed new activity and for providing detailed information on the variables used to determine the costs were deemed reasonable.

2. Describe the operations plan for the activity being proposed. Provide detailed information on how the newly proposed activity will be integrated into the current service model, staffing plans, and case load size. Include a timeline with details that outline how the newly proposed activity will be fully operational within 30 days of the grant award.

15 points – Full points will be awarded if a detailed plan is provided that outlines a reasonable process, from referral to enrollment that includes timeframes for completion (number of days), and identifies staff responsible for each step in process, projected number of housing units, by type, to be provided through the program, by year, over a 3-year period.

3. Describe how eligible households will access the housing assistance provided through the activity. Include a process flow of how eligible households accesses services from outreach, intake, enrollment to housing services. The description should include the proposed timeframe (number of days) for each phase of the process, staff responsible for carrying out activity and staff member responsible for oversight case management. The description should exhibit a culturally competent approach to provide housing for the identified population of people with HIV and should include analysis and efforts related to affirmative marketing requirements.

10 points – Full points will be awarded if there is a clear, feasible description that includes a timeframe and staff responsibilities for each phase of how eligible households move through the housing program,

4. Providing quality, culturally competent, supportive services is critical to obtaining and maintaining housing for people with HIV. Describe the anticipated level of supportive services including the staff-to-client ratio, how the supportive service needs of eligible households will be met, and if services will be offered directly by the program.

Services offered should incorporate the needs of populations that are disproportionately affected by housing discrimination and HIV, as well as support racial equity, be non-stigmatizing, non-discriminatory, and inclusive. The description should include how agreements and project plans will ensure that services will be accessed and coordinated for other health and mainstream benefit resources. Supportive services must never be required to receive housing assistance, but the plan should clearly show how the applicant plans to document efforts to engage clients uninterested in receiving supportive services.

5 points – Full points will be awarded if there is a precise, feasible plan that ensures eligible households have viable access to a wide variety of supportive services that address needs associated with maintaining stable housing and achieving positive health outcomes. The proposed plan should clearly state case management staff to client ratios and the rationale for determining staffing levels.

5. Funds for replacement activity cannot replace state or local funds. The applicant must affirm below that funds for the proposed replacement activity will not replace any state or local funds.

5 points – Full points will be awarded if applicant affirms that funds will not be used to supplant local and state funds.

Rating Factor 4: Leveraging**Maximum Points: 5**

Applicants may receive a maximum of 5 points for this factor. Responses for Rating Factor 4 are limited to a total of 3 pages.

This factor evaluates the applicant's ability to secure community resources that can be combined with HUD funds to achieve program purposes and to ensure sustainability of housing efforts. Such commitments may involve provisions of funding or services by other agencies, or in-kind donations of dedicated personnel to lead or plan activities.

1. Provide a list or chart of leveraged resources that directly impact the proposed activity. Include names and address of organizations providing the commitments, state if organization is a project sponsor, type of commitment (non-cash resources, volunteer time, in-kind resources or services, funds), the dollar value commitment, the source of the funding or in-kind contribution, such as federal, state, local, private and the organizations' authorized representative's name, title and contact information for the person who has made this commitment.

5 points – Full points will be awarded if applicant provides detailed information that reflects leverage commitments.

Rating Factor 5: Achieving Results and Program Evaluation**Maximum Points: 15**

Applicants may receive a maximum of 15 points for this factor. Responses for Factor 5 are limited to 5 pages.

Responses for this factor must describe the project's specific outcomes and goals and how data will be collected to ensure reporting is accurate and complete. This must also include a clear plan to monitor and evaluate project achievements based on the established goals and requirements.

1. Show a clear strategy for measuring program progress toward achieving performance goals. The strategy should document five performance measures linking to program outcomes and outputs. Performance measures for proposed activities must show progress toward the HOPWA program goal, which is to assist clients, using culturally competent approaches to improve their health by providing stable housing as a basis for increased participation in comprehensive care. Applicants are required to develop performance measures for each of the following areas: a) housing stability b) housing permanency c) health outcomes d) self-sufficiency. All performance measures must include goals, indicators, targets, data source and baseline data. Additional performance measures may be included from external sources of data that are related to measuring progress, such as viral load suppression, care continuum linkage and progress toward advancing equity.

5 points - Full points will be awarded if there is at least one performance measure listed for each required area which includes goals, indicators, targets, and baseline data. The plan is comprehensive and has goals that are SMART (specific, measurable, achievable, relevant and time-bound).

2. Provide a clear plan for collecting client-level data and other necessary project data to produce accurate and complete annual reports using Form 4155. The applicant should show they have systems or processes in place to accommodate the data collection for the replacement activity.

5 points – Full points will be awarded if there is a clear data collection plan to gather all the required data elements in the required reporting forms under this Notice.

3. Describe experience in achieving measurable results and meeting applicable performance goals in the operation of housing programs, including the existing HOPWA grant. This includes meeting project goals and objectives, such as number of households assisted in comparison to the number that was planned at the time of the application; submitting timely performance reports; and expending funding as outlined in grant agreements/contracts, with no outstanding audit or monitoring issues.

5 points – Full points will be awarded if the applicant’s detailed response provides evidence of successful experience in establishing and measuring performance goals and outcomes in housing programs. A detailed response will include data on performance measures, households served and timeliness of expenditures for each program.

E. Replacement Grant Application Review and Selection Process

The following process will be followed for the review and selection of the Replacement Grant Application submissions. This review process will be conducted separately from the Renewal Grant Application review process. HUD will conduct a threshold review as outlined in Section III.E. of this Notice first to confirm that applicants are eligible for funding under this Notice. After general threshold eligibility has been determined, HUD will conduct the following reviews:

1. Performance Review

OHH will work with HUD Field Offices to review each applicant’s performance and to confirm existing operations are conducted with no unresolved monitoring or audit findings. A monitoring or audit finding is considered unresolved if it is not addressed through a corrective action plan approved by the local HUD Field Office, or auditor. Applicants with expiring grants that have unresolved monitoring findings, and audit findings may be denied replacement funding.

Examples of data that may be used to assess performance are data from Field Office Review Forms, APR for past performance issues, and review of submitted information for eligibility activities and BLI funding request. Annual performance data submitted in the applicant’s most recent APR will also be reviewed by HUD Headquarters staff. The focus will be performance threshold eligibility. The applicant must demonstrate measurable progress in the implementation of the current grant award as reported in the most recent APR. HUD reserves the right to deny an applicant for replacement if its APR is determined to be substantially incomplete or an applicant has failed to fulfill its reporting requirements.

2. Risk Assessment

In compliance with 2 CFR 200.206, each applicant will undergo a risk assessment prior to application review. In evaluating risks posed by applicants, the following areas may be evaluated:

- Financial Stability
- Management Systems and standards- The quality of management systems and ability to meet the management standards outlined in 2 CFR Part 200

- History of performance- Applicants record in managing Federal awards, including timeliness of compliance with applicable reporting requirements, conformance to the terms and conditions of previous federal award and if applicable, the extent to which any previously awarded amounts will be expended prior to future awards.
- Audit Reports and Finding- Reports and findings from audits performed per 24 CFR 574.650 subject to the audit requirements set forth in [2 CFR part 200, subpart F](#) or reports and findings of any other available audit.in
- Ability to effectively implement requirements- The applicant's ability to effectively implement statutory, regulatory, or other requirements imposed.

HUD may adjust requirements when a risk assessment indicates that it may be merited either pre-award or post award. HUD may also identify capacity concerns arising from application content submitted under this Notice that may impact eligibility, impose special conditions or prevent the awarding of a renewal or replacement grant.

Applicants will be notified if there are identified concerns with the expiring grant that may disqualify an applicant from being awarded a replacement grant. Applicants will be given an opportunity to respond to any identified concerns prior to any determination of disqualification. Applicants determined to be ineligible for a replacement grant, will be awarded a renewal grant. Special conditions may be imposed on the renewal grant.

3. Application Deficiencies

Depending on specific criteria, deficiencies may be either curable or non-curable. If during the replacement application review process HUD identifies curable deficiencies with the application, HUD will uniformly notify applicants of each curable deficiency.

a. Curable Deficiencies

A curable deficiency is an error or oversight that, if corrected, would not alter, in a positive or negative fashion, the review and rating of the application. Examples of curable deficiencies (technical deficiencies) include inconsistencies in the funding request, failure to submit the proper certifications, failure to submit an otherwise sufficient application under the correct Assistance Listings number, and/or failure to submit an application containing a signature by an official able to make a legally binding commitment on behalf of the applicant. These examples are non-exhaustive.

To be curable, the deficiency must:

- Not be a threshold requirement.
- Not influence how an applicant is ranked or scored versus other applicants;
and
- Be remedied within the time frame specified in the notice of deficiency.

When HUD identifies a curable deficiency, HUD will notify the contact listed in box F of the SF424 form by email. This email is the official notification of a curable deficiency. Each applicant must provide accurate email addresses for receipt of these notifications and must monitor their email accounts to determine whether a deficiency notification has been received. The applicant must carefully review the request to cure the deficiency and must provide the response in accordance with the instructions contained in the deficiency notification.

Applicants must email corrections of curable deficiencies to the HUD email address through which they received the curable deficiency notification within the time limits specified in the notification. The time allowed to correct deficiencies will be no less than 48 hours and no more than 7 calendar days from the date of the email notification. The start of the cure period will be the date stamp on the email sent from HUD. If the deficiency cure deadline date falls on a Saturday, Sunday, Federal holiday, or on a day when HUD's Headquarters are closed, then the applicant's correction must be received on the next business day HUD Headquarters offices in Washington, DC are open.

b. **Non-Curable Deficiency**

Non-curable deficiencies are deficiencies that, if corrected, would change an applicant's score. Non-curable deficiencies may result in an application being marked ineligible, or otherwise adversely affect an application's score and final determination. An applicant cannot correct a non-curable deficiency after the submission deadline.

4. Rating Factor Narrative Review

HUD will review the Replacement Grant Application rating factor narrative and award points for each factor as described in Section IV.D. A maximum of 100 points may be awarded under Rating Factor 1 through 5. Partial points may be awarded for a criterion if the applicant does not fully address the information needed for full points. Applications must receive a minimum of 70 points to be awarded a replacement grant. If a Replacement Grant Application does not receive the minimum required rating factor score, OHH will conduct a review of the applicant's submitted Renewal Grant Application (see Section IV.C.).

V. Award Administration Information

A. Award Announcements

Following the review process, HUD will notify applicants of their selection of award for renewal or replacement funding by email. The applicant's local field office will coordinate the grant agreement. Grantees will be provided guidance on how to conduct IDIS set up by OHH and their local field office after the grant agreement has been executed.

B. Program Implementation

1. Continuation of Grant Activities

All successful applicants are expected to continue approved program activities on the expiring grant through the end of the period of performance, unless otherwise approved through Budget or Program amendment processes. The start date for the new grant agreement will be the day the grant agreement is signed by the grantee but should be coordinated with the expiration date of the expiring grant for continuity of service. In the case that funding balances under the expiring grant are exhausted prior to the effective date of the renewal or replacement grant, the grantee may request HUD's written approval to incur pre-award costs in accordance with 2 CFR 200.458.

2. Expenditure of Expiring Grant Funds

Grantees should fully expend their current grant before executing their renewal or replacement grant. However, if a grantee experiences a brief overlap in grant periods of performance, the grantee should fully expend the expiring grant before incurring costs on the renewal or replacement grant to avoid duplication on reporting forms.

3. Project Sponsors

Grantees must update their project sponsor agreements prior to project sponsors conducting activities under the renewal grant agreement. All project sponsor agreements must conform to 2 CFR 200.332(a) and reflect all HOPWA requirements for grantees, including requirements of the HOPWA statute, regulations, nondiscrimination and equal opportunity requirements, other program requirements, and the terms and conditions of the grant agreement between the grantee and HUD. Grantees must ensure that their project sponsors are aware of HOPWA requirements and agree to comply with such requirements in carrying out activities under the HOPWA award. This includes, but is not limited to:

- HOPWA regulatory and statutory requirements;
- System for Award Management (SAM) registration requirements;
- Financial accounting requirements, including those found in 2 CFR part 200;
- Reporting requirements under both the HOPWA program and OMB sub-award data via the Federal Funding Accountability and Transparency Act (FFATA) Sub-award Reporting System (FSRS) and the Transparency Act; and
- Nondiscrimination and equal opportunity requirements, as described in 24 CFR 5.105(a) and 5.106. This includes, but is not limited to, the Fair Housing Act, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Titles II and III of the Americans with Disabilities Act, as applicable, HUD's Equal Access Rule, the Age Discrimination Act of 1975, and the obligation to affirmatively further fair housing.
- Certification of Lobbying

4. Federal Requirements

Renewal and Replacement activities are subject to all HOPWA requirements at 24 CFR Part 574. This section is intended to highlight some of the recent changes in the applicable federal requirements.

Grantees will be required to comply with the applicable requirements at 2 CFR part 200, as may be amended from time to time. Where any previous or future amendments to 2 CFR part 200 replace or renumber sections of part 200 that are cited specifically in 24 CFR part 574, activities carried out under the grant after the effective date of the part 200 amendments will be governed by the part 200 requirements as replaced or renumbered by the part 200 amendments.

Carbon Monoxide Alarms. As explained in Notice CPD-22-15, all HOPWA grantees and project sponsors must now ensure Carbon monoxide (CO) alarms or detectors are installed as required by 42 U.S.C. 12905(i) in all HOPWA-assisted units. This includes units assisted with acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services (24 CFR 574.300(b)(3)); new construction (24 CFR 574.300(b)(4)); project or

tenant-based rental assistance (24 CFR 574.300(b)(5)); short-term rent, mortgage, and utility payments (24 CFR 574.300(b)(6)); permanent housing placement (24 CFR 574.300(b)(7)); and operating costs (24 CFR 574.300(b)(8)).

Please refer to Notice CPD-22-16 for further guidance on this new requirement.

Environmental Requirements. The grantee, its project partners, and their contractors are prohibited from taking any choice limiting actions under 24 CFR 58.22, such as acquiring, rehabilitating, converting, leasing, repairing, disposing of, demolishing, or constructing property for a project, or committing or expending HUD or non-HUD funds for such actions, until the responsible entity (as defined by 24 CFR 58.2(a)(7)) has completed the environmental review procedures required by 24 CFR part 58 and the environmental certification and Request for Release of Funds (RROF) have been approved, if applicable, in compliance with the National Environmental Policy Act and implementing regulations at 24 CFR part 58, or HUD has performed an environmental review under 24 CFR part 50 and the grantee has received HUD approval of the proposed activity. HUD will not release grant funds if the recipient or any other party commits grant funds (i.e., incurs any costs or expenditures to be paid or reimbursed with such funds) before the recipient submits and HUD approves its RROF, where such submission is required. Extensive information on the environmental review process can be found online [here](#).

Although all HUD-assisted activities require the completion of HUD's environmental review process, many eligible activities under this notice are exempt or categorically excluded from NEPA environmental review requirements and only require a lower level of environmental review. Eligible applicants should be aware that there are certain eligible activities and circumstances that may require a higher level NEPA environmental review. For example, the relocation of existing facility-based assistance and the leasing of new units not selected by the tenant would both be subject to NEPA environmental review requirements. Responsible entities must document the environmental review process for all activities.

Lead Based Paint Requirements. When providing housing assistance funding for purchase, lease, support services, operation, or work that may disturb painted surfaces of pre-1978 housing, you must comply with the lead-based paint evaluation and hazard reduction requirements of HUD's lead-based paint rules (Lead Disclosure; and Lead Safe Housing (24 CFR Part 35)), and EPA's lead-based paint rules (e.g., Repair, Renovation and Painting; Pre-Renovation Education; and Lead Training and Certification (40 CFR Part 745)). When providing education or counseling on buying or renting housing that may include pre-1978 housing, when required by regulation or policy, inform clients of their rights under the Lead Disclosure Rule (24 CFR Part 35, subpart A), and, if the focus of the education or counseling is on rental or purchase of HUD-assisted pre-1978 housing, the Lead Safe Housing Rule (subparts B, R, and, as applicable, F - M).

Build America, Buy America. The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, and all applicable rules and notices, as may be amended, if applicable to the Grantee's infrastructure project. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial

Assistance” (88 FR 17001), any funds obligated by HUD on or after the applicable listed effective dates, are subject to BABA requirements, unless excepted by a waiver.

C. Budget or Program Amendments

1. Extensions

Regarding the expiring grant, grantees should plan to fully expend their grants and not return funds at the conclusion of their period of performance. Grantees with funding projected to be available past the grant expiration date may request an extension on their current grant. A grantee requesting an extension must provide supporting reasons for the extension request to HUD in writing. Grant extensions must be submitted to HUD 30 days before the original expiration date. Extension requests may not extend the grant past May 31, 2024, the cutoff date for eligibility in this Notice. Extensions past May 31, 2024, would make the applicant ineligible for renewal or replacement under this Notice.

Regarding the FY2023 renewal or replacement award, grantees must fully expend their grant within three years of the execution of the grant agreement, or request and receive HUD’s approval for a grant extension of up to one year from the grant end date. The grant term expiration date is three years from the signing of the grant agreement by the grantee, which is the effective period of performance start date.

2. Amendments

The first year of the period of performance should be used to capture baseline data on program expenditures and outcomes. Grantees should do their due diligence to operate the grant as approved within the first year. Accordingly, grantees may submit budget amendment requests no sooner than the beginning of their second program year based off actual expenditures and changing community needs. Amendments in the first year will only be considered if the grantee provides justification that the grant cannot be operated as currently approved and meets other applicable requirements described below.

- a. Regarding project sponsor changes within the scope and purpose of the grant, if there is a circumstance where a project sponsor needs to be added, a project sponsor needs to be dropped from the program design, or if a project sponsor’s legal status has changed, the grantee must request the change in writing (email is acceptable). The request should: (1) justify the need for the project sponsor change or adjustment and provide an assessment of the impact on the approved project plans; (2) address how the change would be beneficial to addressing the permanent housing needs of HOPWA-eligible households in their service area; (3) include an organizational capacity narrative addressing all rating criteria listed in the notice; (4) include a nonprofit status letter from the IRS for the new project sponsor; (5) provide documentation showing that the new project sponsor has, among its purposes, significant activities related to providing services or housing to people with HIV. This documentation could include a copy of the organization’s articles of incorporation and/or bylaws, mission statement, program management plan, or other organizational policy document that evidences the organization’s activities or objectives related to providing services or housing to people with HIV. The preferred and most reliable documentation of an organization’s HIV-related purpose is a statement in the organization’s articles of incorporation and/or bylaws; and (6) include an updated HUD-40110-B reflecting the requested changes. The review process and metrics to evaluate a

new project sponsor during the grant's period of performance is the same as when a new project sponsor is evaluated during the renewal application process. New project sponsors must be awarded a 14 out of 20 in order to be approved.

- b. The regulation at 24 CFR 574.260 governs the process for making budget and program amendments within the scope and purpose of the grant. Grantees must provide written documentation, including an updated HUD-40110-B with budget change requests, to their local HUD field office for any proposed changes. Some proposed changes must receive prior field office review and approval. Each program must operate within the HOPWA regulations (24 CFR 574.300(b)(10)) that limits the grantee's administrative costs to 3 percent of the grant amount and limits each project sponsor's administrative costs to 7 percent of the amounts the project sponsor receives under the grant, as well as standards established in this Notice. If grantees are requesting to move funds between organizations, whether project sponsor or grantee, the administrative costs must be adjusted to remain in compliance with statutory limits on administrative costs. As such, not all changes can be approved.
- c. Budget amendments should reflect how the funds were reprogrammed from one line item to another within the HOPWA-specific budget form, HUD-40110-B. Grantees can only reprogram funds from a BLI if there are funds left unspent in that BLI. For example, if a grant was funded with \$30,000 for TBRA over 3 years and the grantee spent \$10,000 on TBRA in the first year, the maximum amount of funds that could be reprogrammed out of TBRA at the start of year 2 would be \$20,000. Funds can only be reprogrammed to BLIs that are currently approved under the grant. The HUD-40110-B is required to show the approved amended budget, but the grantee should provide a chart in its written amendment request to the field office showing how funds will be reprogrammed between BLIs.

Example chart:

BLI	Original Budget	Amended Amount +/-	% of funds to be moved	New Amended Budget
TBRA	\$30,000	-\$10,000	33%	\$20,000
PHP	\$20,000	+ \$10,000	50%	\$30,000

Some changes may not require HUD approval, including changes that do not change an approved BLI or significantly alter the scope, location, service area, or objectives of an activity or the number of households served by the grantee. The regulation at 24 CFR 574.260 provides that, in cases involving any other amendment to the application, these could be made by the grantee and the grantee is required to provide a copy to HUD. Such changes could involve the type of supportive services undertaken, adjustments in the planned types of operating costs for housing facilities, changes in housing information services or program methods for administering the approved activities, or other such adjustments to improve the responsiveness, appropriateness, or efficiency of delivering the assistance provided under the approved grant agreement. These programmatic

changes should be provided to HUD as they are established, but a summary of all such changes should also be articulated in the APR through outputs and the narrative section. There are two types of BLI changes that may be considered: significant and insignificant.

1. Insignificant BLI Changes

Insignificant changes involve a small amount of funds within the scope and purpose of the grant, no greater than 10 percent of an approved BLI, to which funds would be subtracted and added to another approved BLI. The grantee should notify the field office in writing (email is acceptable) of the amount of funds to be transferred from one BLI to the other BLI, describe the revised proposed use of funds, and submit an updated HUD-40110-B with the budget changes. Grantees must adjust their IDIS activity funding amounts to reflect the BLI changes after the Field Office has been notified of the change. No more than one insignificant change will be allowed within a monthly time frame. However, if additional insignificant amendments of funding between BLIs are needed, the Department may approve on a case-by-case basis. The chart below provides an example chart the grantee can send to the field office to provide written notification of the funds transferred for an insignificant BLI change. The grantee must also submit an updated HUD-40110-B incorporating these changes.

Table 3. Insignificant BLI Change Example

Budget Line Item	Approved	+/- Amendment Request	% of funds to be moved	Amendment Total Request
Tenant Based Rental Assistance (TBRA)	\$30,000	-\$3,000	10%	\$27,000
Short-term Rental, Mortgage, and Utility Assistance (STRMU)	\$40,000	+\$3,000	8%	\$43,000
Supportive Services	\$200,000	\$0		\$200,000
Total	\$270,000	\$0		\$270,000

2. Significant BLI Changes

HOPWA regulations at 24 CFR 574.260 require a grantee to provide HUD with a justification to any change that will significantly alter the scope, location, service area, or objectives of an activity or the number of eligible households served. A proposed significant change must be within the scope and purpose of the grant and includes a grantee request to add or subtract more than 10 percent of the HOPWA funded amount approved in any one BLI to another approved BLI; a change that decreases the amount of other leveraged funds that were committed to be used for supportive service activities as documented in the approved application; or otherwise make any change that will significantly alter the scope, location, service area, or objectives of an activity or the number of households served. The grantee must request the change in writing (email is acceptable) and the request should:

- (a) justify the request and provide an assessment of the impact on the approved project plans;

- (b) address how the change would be beneficial to addressing the permanent housing needs of HOPWA-eligible households in their service area; and
- (c) include an updated HUD-40110-B reflecting the requested changes.

The amendment should reflect how the funds shifted from one line item to another within the HOPWA-specific budget form HUD-40110-B. The examples of BLI change charts in Tables 4 and 5 can be incorporated into the amendment with the HUD-40110-B attached.

Table 4. Significant BLI Change Example

Budget Line Item	Approved	+/- Amendment Request	% of funds to be moved	Amendment Total Request
Tenant Based Rental Assistance (TBRA)	\$30,000	-\$10,000	33%	\$20,000
Short-term Rental, Mortgage, and Utility (STRMU)	\$40,000	+\$10,000	25%	\$50,000
Supportive Services	\$200,000	\$0		\$200,000
Total	\$270,000	\$0		\$270,000

Formal HUD approval for significant amendments must be received prior to grantee redistributing funds among activities in IDIS. Per 2 CFR 200.308, the field office must review the budget or program amendment request and notify the grantee whether the amendment has been approved within 30 days. If the amendment is still under consideration at the end of 30 calendar days, the field office must inform the grantee in writing of the date when the recipient may expect the decision.

Only one significant change should be approved within an annual operating period. However, if additional significant changes are requested by the grantee within a single operating year, HUD may approve such changes on a case-by-case basis. Grantees must operate their programs within the approved scope and purpose of the grant. If the scope of the grant is expanded beyond the original grant's approved purpose, then the existing and continued funding of the project as a renewal or replacement grant will be jeopardized.

3. Non-approvable BLI Changes

The following changes are **not** eligible for budget amendments:

- (a) Exceeding the statutory limits for administrative costs for the grantee (i.e., 3 percent of the grant award) or for a project sponsor (i.e., 7 percent of the grant funds received by this sponsor).
- (b) The supportive services BLI may not be amended if the amendment results in the supportive services BLI exceeding 35 percent of the total funding award;
- (c) Changes in the committed leveraging amounts to be used in the coordination of housing assistance and supportive services that are critical to the delivery of services promised under the grant agreement. If leveraged resources are withdrawn, the grantee will be required to secure additional leveraged resources needed to sustain the project for the delivery of the appropriate level and type of services as committed in the application. Grantees may not amend the grant agreement to reflect a reduction in essential leveraged resources;

- (d) A request for additional capital development activities that involve new facilities or sites which are not eligible activities under a renewal application; and
- (e) Any change that is not within the purpose and scope of the grant.

D. Data and Reporting

1. IDIS

HOPWA PSH renewal and replacement grantees are required to use IDIS for financial transactions and reimbursement of approved project activities. Grantees must have the necessary processes and systems in place to comply with the reporting requirements should they receive funding. It is important that grantees understand the required separation of duties to draw down funding and how to keep the accounts active. New IDIS users will need to work with their field office representative to submit a request for access to an IDIS account. More information on IDIS account creation and maintenance can be found [here](#). Due to the amount of time and steps involved in achieving IDIS integration, grantees should begin work on obtaining access to IDIS 90 days prior to the expiration of their current grant. OHH will ensure the grantee has adequate support to properly set up their renewal grant and make their first drawdown in IDIS.

Grant funds under this award must be used in a consistent and regular manner over the three-year period of performance. HUD recommends draws from IDIS be made within 60 days from the end of the month in which an eligible cost was incurred and appropriately billed (incurred either by the grantee or project sponsors) to ensure that timely reimbursements are being paid for correctly billed eligible costs incurred. Grantees must draw down grant funds and reconcile invoices for eligible costs with the account in IDIS quarterly (not less than every 90 days), beginning from the Period of Performance start date. It is recommended, as a sound financial management practice and oversight action, that drawdowns and reconciliations occur monthly.

HUD has issued training and IDIS Naming Convention manuals to assist grantees in using IDIS. Grantees may also submit questions to the HUD Exchange Ask-A-Question online help desk. These resources are available at the links provided below.

- Manual: [Using IDIS Online for the HOPWA Program](#)
- HOPWA [IDIS Naming Convention Tool](#)
- HOPWA Webinar Series: [Using IDIS for the HOPWA Competitive Grant Program](#)
- HUD Exchange [Ask A Question](#)

2. Annual Reports

Grantees must continue to report comprehensive household output and outcome accomplishment data and other data through the HUD-4155 form to meet the annual reporting requirements as provided by 24 CFR 574.520(b).

With the exception of the final performance report, the grantee must complete and submit the HUD-4155 form to the grantee's Field Office representative and OHH within 90 calendar days of the end of each operating year of the grant. Generally, each operating year under the new award should be a 12-month period beginning on the period of performance start date established in the grant agreement. The grantee and all project sponsors should report on

activities completed within this operating period. The final performance report (also using the HUD-4155 form) is due to the grantee's Field Office representative and OHH no later than 120 calendar days after the period of performance end date.

3. HOPWA Closeout

Grantees must ensure the timely closeout of expired grants. All financial, performance and other required reports outlined in the terms and conditions of the award must be submitted to HUD, no later than 120 calendar days after the end of the period of performance. Closeout of HOPWA grants is subject to 2 CFR 200.344, unless superseded by a subsequent notice or regulation.

VI. HOPWA Alignment with Strategic Planning

A. National HIV/AIDS Strategy

HUD encourages grantees to undertake activities that advance the National HIV/AIDS Strategy [National HIV/AIDS Strategy 2022–2025](#)

Goal 1- Prevent New HIV Infections

Goal 2- Improve HIV Related Health Outcomes of People with HIV

Goal 3- Reduce HIV-Related Disparities and Health Inequities

Goal 4- Achieve Integrated, Coordinated Efforts that address the HIV Epidemic among all Partners and Stakeholders

Although HIV affects people from all social, economic, and racial and ethnic groups, and from all parts of the United States, it disproportionately affects certain populations. The disproportionate prevalence of HIV in specific populations increases the risk for HIV transmission with each sexual or injection drug use encounter within those populations. In addition, a range of social, economic, and demographic factors—such as stigma, discrimination, socioeconomic status, income, education, age, and geographic region—affect people's risk for HIV or their ability to access or remain engaged in prevention or care services. Based upon this analysis, the Strategy prioritizes efforts to reduce disparities and improve HIV outcomes among

- Gay, bisexual, and other men who have sex with men, in particular Black, Latino, and American Indian/Alaska Native men.
- Black women;
- Transgender women;
- Youth aged 13–24 years; and
- People who inject drugs.

Focusing efforts on these five priority populations will reduce the HIV-related disparities they experience, which is essential if the nation is to succeed on the path toward ending the HIV epidemic by 2030.

In order to successfully achieve these goals, issues such as discrimination and systemic racism that contribute to differences in access in housing and lead to ongoing disparities among racial, ethnic, and LGBTQ+ populations, must be addressed. Reducing these disparities requires a focus on the needs of disproportionately affected populations, supporting racial justice, the rights of LGBTQ+ people, and combating HIV-related stigma and discrimination, providing employment opportunities for people with HIV, and addressing social determinants of health and co-occurring

conditions to reduce health inequities and disparities. Accordingly, applicants are encouraged to engage in ongoing analysis of how organizational policies, procedures and practices impact equitable access to services.

HOPWA grantees must report results on assisting vulnerable people at risk of homelessness or currently experiencing homelessness through TBRA payments to eligible households and use of permanent housing facilities that increase access to affordable rental housing.

HOPWA grantees are encouraged to provide priority access to homeless and chronically homeless people with HIV and their families with available housing units, and other forms of assistance as they become available. This prioritizing may be conducted through the combination of PHP assistance and TBRA payments.

HOPWA grantees are encouraged to evaluate racial equity and the appropriateness of supportive service activities needed. The package of available supportive service activities may be updated, if reasonable and necessary to appropriately address needs. HUD encourages the range of supportive service activities to involve opportunities for engaging clients in employment/job training programs and/or referral services linking clients to employment and job training programs to help promote greater client self-sufficiency. HOPWA grantees that participate in employment/job training supportive service activities must report on how assistance facilitates income increases for HUD-assisted households through the promotion of employment training/education activities that lead to income-producing jobs.

B. HUD's Strategic Goals

HUD published its [Strategic Plan for FY2022-2026](#), which defined a new set of policy and organizational priorities for the Department. The plan provides the direction and focus of HUD in achieving its mission: to create strong, sustainable, inclusive communities and quality, affordable homes for all. It proposes to accomplish this through five core goals, to:

- Strategic Goal 1: Support Underserved Communities
- Strategic Goal 2: Ensure Access to and Increase the Production of Affordable Housing
- Strategic Goal 3: Promote Homeownership
- Strategic Goal 4: Advance Sustainable Communities
- Strategic Goal 5: Strengthen HUD's Internal Capacity

C. Advancing Racial Equity and Support for Underserved Communities Through the Federal Government- Executive Order 13985- January 20, 2021

Grantees should use this data to begin evaluating racial equity in their service delivery model. On January 20, 2021, President Biden issued an Executive Order 13985 titled "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government." The Executive Order outlined the Administration's policy that the Federal Government should pursue a comprehensive approach to advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality.

The term "equity" means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied

such treatment, such as Black, Latino, and Indigenous and Native American people, Asian Americans and Pacific Islanders and other people of color; members of religious minorities; lesbian, gay, bisexual, transgender, and queer (LGBTQ+) people; people with disabilities; people who live in rural areas; and people otherwise adversely affected by persistent poverty or inequality. Because advancing equity requires a systematic approach to embedding fairness in decision-making processes, HUD and HUD-funded organizations need to redress inequities in their policies and programs that serve as barriers to equal opportunity.

Grantees should begin the ongoing work of assessing whether, and to what extent, its programs and policies perpetuate systemic barriers to opportunities and benefits for people of color and other underserved groups. Such assessments will better equip agencies to develop policies and programs that deliver resources and benefits equitably to all. Grantees should consider implementing programmatic standard operating procedures that address the following:

- Analyzing the racial composition of persons or households who are expected to benefit from the proposed grant activities;
- Identify any potential barriers to persons or communities of color equitably benefiting from the proposed grant activities;
- Detailed the steps taken to prevent, reduce or eliminate these barriers; and
- Have measures in place to track their progress and evaluate the effectiveness of their efforts to advance racial equity in their grant activities.

Achieving racial equity in housing service is a continuous process. The process should include regular assessment and review of program level data disaggregated by race at decision points such as referrals, screenings, intake, and types of housing provided. Review of these data elements will capture various areas of disproportionality. It is important to supplement your data analysis with assessment conversations to determine the key leverage points and opportunities to influence each area of inequity in the service delivery model.

VII. Debriefing Information

For a period of at least 120 days, beginning 30 days after the public announcement of awards under this Notice, HUD will provide a debriefing related to their application to requesting applicants. A request for debriefing must be made in writing or by email by the authorized organization representative whose signature appears on the SF-424 or by his or her successor and be submitted to HOPWA@hud.gov. Information provided during a debriefing may include the final score the applicant received for each rating factor, final reviewer comments for each rating factor, and the final assessment indicating the basis upon which funding was approved or denied.

VIII. General HOPWA Guidance Materials

Grantees should also familiarize themselves with the following HOPWA guidance materials linked below:

- [HOPWA Oversight Training](#)
- [HOPWA Rental Assistance Guide](#)
- [HOPWA Income Resident Rent Calculation](#)
- [Administering HOPWA Housing Assistance Fact Sheet](#)

- [HOPWA Program Data Update](#)
- [IDIS Manual for HOPWA Grantees](#)
- [HOPWA IDIS Naming Convention Tool](#)
- [Memorandum on the Applicability of Section 8 Requirements to Rental Assistance Funded through the HOPWA Program](#)
- [CPD Financial Management Curriculum](#)
- [HOPWA Short-Term Rent, Mortgage, and Utility Assistance Resource](#)
- [Short-Term Rent, Mortgage, and Utility Assistance Fact Sheet](#)
- [Frequently Asked Questions on emergency hotel/motel vouchers, STRMU, administrative costs, and FFATA](#)
- [HOPWA Confidentiality User Guide](#)
- [Program Administration Toolkit](#)
- [Getting to Work: A Training Curriculum for HIV/AIDS Service Providers and Housing Providers](#)
- [Information on the HOPWA Back to Work Employment Initiative](#)
- [CPD Monitoring Handbook 6509.2 \(see Chapter 10 on HOPWA\)](#)
- [Homeless Management Information System \(HMIS\) Resources](#)
- [HOPWA White Paper: The Connection Between Housing and Improved Outcomes Along the HIV Care Continuum](#)
- [Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity](#)
- [Housing Discrimination and LGBTQ](#)
- [Information about the related Ryan White HIV/AIDS Program](#)
- [Clarification of Rent Standard Requirement for the Housing Opportunities for Persons with AIDS \(HOPWA\) Program](#)
- [Carbon Monoxide Alarms or Detectors in Housing Opportunities for Persons with AIDS \(HOPWA\) Assisted Housing](#)

XI. Information Collection

The information collection requirements contained in this document have been approved by the Office of Management and Budget under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and are assigned the OMB control number of 2506-0133 (exp. 11/30/2023).